

# **FISCAL NOTE**

## **HB 2244 - SB 2684**

February 2, 2000

**SUMMARY OF BILL:** Prohibits telecommunications service providers operating under the Tennessee Regulatory Authority from charging a customer for any operator assistance service calls made from that customer's registered residential telephone and registered mobile telephone number. Authorizes the TRA to promulgate appropriate rules regulating the manner in which exemption from charges may be obtained.

### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenues - Exceeds \$600,000**

**Decrease Local Govt. Revenues - Exceeds \$200,000**

Estimate assumes a loss of state and local sales tax revenues. Based on industry statistics the amount of revenues collected by telephone companies in Tennessee from directory assistance is estimated to exceed \$10,000,000. Sales taxes are currently collected on such revenues by the state at a rate of 6% and by local governments at a rate of 2.25%. Rates charged for directory assistance vary by service provider, as does the number of directory assistance calls that can be made before a charge is levied. Rates charged ranged from \$.29 up to \$1.40 depending on the service provider and the type of assistance provided.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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